NORTH SHONGALOO-RED ROCK FIELD 04-783 and 04-784

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **WEDNESDAY**, **SEPTEMBER 1, 2004**, upon the application of **CYPRESS OPERATING INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Smackover D Zone**, **Reservoir A**, and the **Smackover C Zone**, **Reservoir B** in the North Shongaloo-Red Rock Field, Webster Parish, Louisiana.

- 1.To create one (1) additional drilling and production unit for the exploration and production of gas and condensate from the Smackover D Zone, Reservoir A, as shown on the plat submitted with the application.
- 2.To force pool and integrate all separately owned tracts, mineral leases, and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation.
- 3.To designate Cypress Operating, Inc. as unit operator and the Cypress Operating, Inc.-McEachern No. 1 Well as the unit well for the proposed SMK D RA SUB.
- 4.Except to the extent contrary herewith, to extend the provisions of Office of Conservation Order No. 104-S, effective April 22, 2003, to the proposed SMK D RA SUB.
- 5. To permit the downhole combination of the Smackover C Zone, Reservoir B and the Smackover D Zone, Reservoir A in the Cypress Operating, Inc.-McEachern No. 1 Well or in the wellbore of any well located in the SMK C RB SUD and SMK D RA SUB.
- 6. To consider such other matters as may be pertinent.

The Smackover D Zone, Reservoir A, in the North Shongaloo-Red Rock Field, Webster Parish, Louisiana, is fully defined in Office of Conservation Order No. 104-S, effective April 22, 2003/

The Smackover C Zone, Reservoir B, in the North Shongaloo-Red Rock Field, Webster Parish, Louisiana, is fully defined in Office of Conservation Order No. 104-H-4, effective June 24, 1986.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana. www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 7/28/04;7/31/04 S tm

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASEADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION ATP.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.